LeMond Cycling, Inc. v. Trek Bicycle Corporation
Doc. 139 Att. 4

# ZASTROW EXHIBIT 48

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UNITED STATES DISTRICT COURT

DISTRICT OF MINNESOTA

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LeMOND CYCLING, INC.,

Plaintiff,

vs. Case No. 08-1010

TREK BICYCLE CORPORATION,

Defendant/Third-Party Plaintiff,

vs.

GREG LeMOND,

Third-Party Defendant.

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Video Deposition of JOHN BURKE

Tuesday, April 7, 2009

9:31 a.m.

at

GASS WEBER MULLINS, LLC
309 North Water Street, Suite 700
Milwaukee, Wisconsin 53202

Reported by Julie K. Lyle, RPR/RMR/CRR

your last name. I'm sorry.

MR. WEBER: That's all right. That's all right.

BY MR. WEBER:

Q But just -- so I just caution you, none of my questions are aimed at discovering any of your communications that you had with your counsel, okay? So just kind of put that in your head for kind of a roadblock. I don't want -- I don't want to ask you about those.

A Okay.

Q What specific provision did you look at in the LeMond contract yesterday?

A I looked at Section 13.

Q What is Section 13?

A Section 13 states that Greg LeMond cannot do anything to damage the Trek Bicycle Company.

Q And you believe that Mr. LeMond has, in fact, done that?

A Yes.

Q Okay. How has he done that?

A There are quite a few different ways. I will give you a few examples.

In 2001 we were doing very well with the LeMond line. I think we had grown sales to somewhere around $16 million. After Lance Armstrong won the Tour de France, Greg LeMond stated publicly that this achievement was either a great accomplishment or the greatest fraud in the history of sports.

That caused absolute -- caused a lot of problems with our retailers, caused a lot of problems with our consumers.

The bicycle business is very dependent on bicycle retailers. They make a lot of decisions about what products come in the door, and those are the products that go out the door. They spend a lot of time recommending what products they want to sell.

When Greg made those comments in 2001, the confidence of those small business people went down substantially, and because of that, it hurt our relationships with those retailers, and it also hurt our potential LeMond sales.

Again, in 2004, when -- right before or after the tour, sometime in the summer, Greg said that Lance Armstrong threatened my wife, my life, and my livelihood. Once again, we were in a situation where we were getting a lot of negative feedback from retailers and we were getting a lot of negative feedback from consumers that was undermining Trek's efforts in the marketplace.

Our retailers, our salespeople are all out there working hard for Greg LeMond. They're selling LeMond product which Greg's making a royalty on, and they're being undercut.

Those are a couple of examples there.

If we take a look at how Greg damaged Trek through employee purchases, in his contract he gets somewhere around 15 free bikes and he gets the ability to buy bicycles for friends, for -- excuse me, for family. All right? This is a -- something that Trek employees can do.

Over the relationship with Greg, he ended up purchasing $1.5 million worth of bicycles. Just to give you an example, in that same period of time, Gary Fisher purchased around $24,000. Lance Armstrong purchased around $24,000.

It even got to the point where Greg LeMond had a price list that he used. In fact, he was actually -- in certain cases, he was competing with our dealers. There's an example of a sale up in Minneapolis where Greg was competing with our dealers.

Those are a couple of examples where Greg has damaged Trek.

Q I -- I understand that those are a couple of examples. I want you to give me the exhaustive list. Tell me -- tell me how else Greg LeMond has damaged Trek.

A Well, I just gave you a couple of the big ones that -- I can be a little more specific and tell you that in 2001, the LeMond business was about 15 or $16 million. Everything up until that point had been going pretty well.

All the sudden we get to 2001, and Greg starts making disparaging comments about other athletes.

We were in a perfect position at that point in time. The sport of cycling was growing significantly. LeMond was in a great position as a brand. That business could have grown to, in my estimation, at least $30 million over the next five years, and it stayed flat at best.

There's an example.

Another example is what happened in the PTI lawsuit. Back in the late 1990s, Trek was not doing so well financially. We were taking a look at making -- we were reviewing our business to see where we could make some changes. We took a look at the LeMond contract and we said, you know what, we're not doing a good job of selling LeMond accessories.

And we talked to -- I talked to Greg and said, Greg, is there a way that we could restructure this so that we're not going to sell LeMond accessories and you can do it with another company.

And we talked about that for a while. And sure enough, we came to an agreement where we gave Greg a couple extra things, large things. We expanded the length of the contract, we agreed to pay more royalties on international sales, and we got out of the accessory contract.

I brought up to Greg at that point, you know, Greg, we really don't want to see LeMond accessories go to the mass merchant. That's a big competitor for independent bicycle retailers. Greg said that's not going to happen.

If anything takes place here, I'll let you know.

If you go back and you take a look at it, unfortunately, once again, there had been negotiations with PTI, there had been a letter of intent signed even before he and I had that conversation.

It's just time and time again Greg would make commitments. He would say I'm going to do one thing, and then he would do something else.

You can go back in the history and take a look, in 2001, in 2004, in 2006 when we -- when Greg would comment on specific athletes and we'd get to the end of this and Greg would say, you know what, I'm not going to do that anymore. I'm done with that. I'm not going to do that. I'm going to support Trek. I'm going to support your retailers. That's the way it's going to be.

And we'd say, great, and we'd go out there. And, as we always have done, you know, we kept going on and on. Despite all the problems, we kept moving on. And it was disappointing.

But those are just more examples.

Q Do you have any other examples?

A I'm sure there's plenty of more. Those are ones that I can recollect at this time, and those are quite substantial.
Q Well, you've had three weeks to prepare for the deposition, right? You've been --
A Yes, I have.
Q And you've met three times over the past three weeks, right?
A Uhm-uhm.
Q Is that a yes?
A Yes.
Q And you've never been deposed before, right?
A I have not.
Q So this is probably a little bit of a nervous event for you, right?
A A what?
Q A nervous event for you in your life.
A No.
Q Okay. You're totally comfortable with this?
A No.
Q Okay. Somewhere --
A They're somewhere in between there.
Q Somewhere -- somewhere in between?
A Yep.
Q But you've obviously had time to think about how

Greg LeMond has injured Trek, right?
A I have.
Q And as you're sitting here today, you've given me the exhaustive list of every way that Greg LeMond has damaged Trek; is that right?
A No.
MR. WEBER: Just a second. Yeah. Objection.
THE WITNESS: No, it's not right.
BY MR. WEBER:
Q Okay. All right. Well, then tell me what else.
A There are -- I just gave you three very large ways that Greg LeMond has damaged Trek. There are plenty of others.
I do -- do you look at me when I answer the questions?
Q Not always.
A Okay. I run a sizable bicycle company. I have a lot of things going on, and so I don't remember everything. Those are three very large issues.
Q Okay. Are you done answering?
A Yes.
Q All right. As you sit here today, have you told me everything that you remember regarding the ways that Greg LeMond has injured Trek?

A Yes.
Q Okay. The -- how many consumer complaints have you produced in this lawsuit from 2001?
A You would have to ask the lawyers.
Q Okay. Do you know that you've produced none?
A You would have to ask the lawyers on that.
Q How many athletes has Greg LeMond made disparaging comments regarding since 2001?
A One that I know of.
Q And who's that person?
A That would be Lance Armstrong.
Q The PC -- the PTI lawsuit involved a deal that LeMond Cycling entered into with respect to accessories; is that right?
A That is correct.
Q How many contracts have you entered into as a CEO on behalf of Trek?
A No idea.
Q Dozens?
A Probably.
Q Would it have been difficult for you to request a contract between Trek and LeMond Cycling that would have prohibited Mr. LeMond from entering into an accessories contract that enabled LeMond Cycling to provide accessories to the mass

things out. We wanted things to be really successful. And we'd have problems time and time again. And, you know, we'd discuss those problems, and we'd try to rectify those problems. And Greg would make commitments, and those commitments would be broken.

But we always -- I'm an optimistic person. I always hope that we can find a solution. We're not a litigious company, and so instead of trying to file lawsuits, we're trying to solve problems.

Q Well, you say that Trek is not a litigious company. Is that right?

A That's correct.

Q And yet, after LeMond served you with a lawsuit, what was your reaction to that?

A Which time?

Q In 2008.

A In 2008, after he served us with a lawsuit, it was my judgment that there had been so many times that Greg had not lived up to his commitments.

Q Uhm-uhm.

A And there had been too many times when he had threatened us, that when we received another lawsuit less than ten days after my father had

died, I figured that was enough. And so we made a decision at that time to end the relationship.
Q You -- you filed a lawsuit against Mr. LeMond?
A We did.
Q And that lawsuit was filed here in Wisconsin, right?
A Yes.
Q And it was later dismissed after we won a transfer motion in Minnesota, right?
MR. WEBER: Object as to foundation as to the procedural events that occurred.
MR. MADEL: You can go ahead and answer.
MR. WEBER: If you know about the procedural events, you can tell him.
THE WITNESS: I don't know.
MR. WEBER: You can tell him if you don't.
THE WITNESS: Yeah.
BY MR. MADEL:
Q You know that that lawsuit -- our lawsuit was ultimately filed in Minnesota, right?
A I know that.
Q And you know that your lawsuit -- you filed your lawsuit in Wisconsin?

get you that information.
Q You say that Mr. LeMond did a lot for the LeMond brand. Was -- was the efforts that Mr. Armstrong did for the LeMond brand the same?
MR. WEBER: You just said -- let me just stop you.
MR. MADEL: Did I just do the same thing?
THE WITNESS: Yep.
MR. MADEL: I used it again. I'm sorry.
THE WITNESS: Sorry about that.
MR. MADEL: No, that's all right.
MR. WEBER: Push the reset button.
MR. MADEL: Here we go. I will. Thank you.
BY MR. MADEL:
Q With respect to your statement that Mr. Armstrong did a lot for the LeMond brand, what did Mr. Armstrong do?
A I think the basic thing is -- is he -- he brought up the tide and all the boats rose with it, including Trek's, including Greg LeMond's, including Specialized. His tour victories really ignited the road bike boom in the United States.

that presentation referring to Mr. LeMond as an idiot?
A That was a quote from one of our managers, a manager who had worked very hard to promote the LeMond line. And, once again, as he's out there working hard to promote Greg LeMond's line that Greg's making royalties on, Greg LeMond goes out and disparages Lance Armstrong.
And, once again, that manager, who was Malcolm Davies, who has the highest integrity, once again that manager is having to spend a lot of his time talking to customers who are asking him, Why do you do business with Greg LeMond when he does this time and time again?
Q Move to strike as nonresponsive.
Do you consider Greg LeMond an idiot?
A No, I don't consider Greg LeMond to be an idiot. I consider some of his actions to be idiotic. They don't make sense.
A lot of Greg LeMond's actions -- we have been out there building his brand, working hard for his brand, and he consistently shoots himself in the foot.
There's a very interesting part of

Q Is the --
A You must -- you must -- it -- you must understand, in the context, we were served with a lawsuit ten days -- somewhere around ten days after my father's death. All right? We were -- same type of lawsuit we were given in 2004. All right?
It was a lawsuit that we found to be threatening, and we wanted to make sure that we were organized in how we put our message out.
Q What did Trek do to Mr. LeMond within seven days of his mother's death?
A I don't know. I -- to be honest with you, I didn't even know that his mother had died.
Q And did Mr. LeMond send you a note of condolence after your father passed away?
A I believe that he did.
(Exhibit 135 was marked for identification.)
BY MR. MADEL:
Q Exhibit 135 is a letter from Loren Brown, on behalf of Trek, to Mr. LeMond dated August 10, 2004, right?
A It is.
Q And the first two paragraphs say, "My firm

just one way. The media was going to write about the story, so they might as well hear the story.
Q Were you angry at this time at Greg LeMond?
A No, I don't think I was angry. I would say I was disappointed. I'd put 14 years into that relationship.
We started that relationship out. It was interesting going through the notes that our minimum sales target was something like $4 million. The success of LeMond with Trek far exceeded those original expectations. We put a lot into it.
There were some rocky times along the way based on Greg's behavior. Every time we went out of our way to try and put things back together, we lost customers along the way who wondered why we continued with Greg. And time and time again, we tried to patch that up and move -- move it along.
Q Did you lose any customers as a result of your April 8, 2008, presentation?
A We -- not to my knowledge.
Q Okay. Was there a reason -- now, within your April 8, 2008, presentation, you included some e-mails from customers.

A Okay.
Q Why did you do that?
A Because I think -- in a decision of that magnitude, I think it was good for everybody to understand the kind of e-mails and the kind of feedback that we had been getting.
After Greg's comments in 2001 or 2004 or 2006, we would get an amazing amount of e-mails from upset retailers, from upset customers. And I think it was important that that's something that went into our decision-making process.
Q Define "amazing."
A I don't have to -- I don't have the exact number, but it was in the hundreds.
Q And all of those, presumably, should have been produced in this case, right?
A That would be a legal question.
Q You don't know if they've been produced or not?
A I do not.
Q Do you know if any of them have been discarded?
A I do not know.
Q Was there any effort at Trek, after 2004 to today, to have Trek employees document problems that they were having with LeMond in the field?

The 2004 complaint that you had summarized, did you -- did you consider that ridiculous at the time?
A I can't remember.
Q But yet you -- even after that was served on you in 2004, you made the specific decision to continue doing business with Mr. LeMond?
MR. WEBER: Object. Just a second. Object to the form of the question. It was mailed to him.
MR. MADEL: Okay. Fair.
BY MR. MADEL:
Q After -- after you received the 2004 complaint --
A Yeah.
Q -- you decided not to proceed with litigation and to continue doing business with Mr. LeMond; is that right?
A In the end, that was the decision that was made after numerous conversations with Greg and assurances, once again, that Greg was going to support Trek, support Trek retailers, and not comment on specific athletes.
Q The sequence was -- was Exhibit 135, you noticing a breach; LeMond serves a lawsuit on you; Trek decides to continue to do business with LeMond,

right?

MR. WEBER: Object.

THE WITNESS: No.

MR. WEBER: Wait. Object to the form of the question. It --

MR. MADEL: I said serve again?

MR. WEBER: No, no, no. In addition to that --

MR. MADEL: All right.

MR. WEBER: -- we have a standing objection. I think we understand what that's about.

But beyond that, there's -- you're taking an event in August and an event in December and an event in the spring of '05 and assuming that those are the only three events.

BY MR. MADEL:

Q Go ahead and answer.

A I think the -- to my recollection, the part that you have not put in your sequence of events are conversations with Greg about going forward and really having him make some adjustments in terms of not commenting on specific athletes.

In 2004, part of that is we said, listen, we just want to end the agreement, okay?

We're honorable people, we're good people, we obviously have a disagreement here. Why don't you go out and find another company. Okay? And we'll do a nice transition here because, you know, we don't want to do any harm here. Why don't you just go out and find another company. And he went out and he looked around, and he couldn't find another company.

And that's when he came back, and we were taking a look at it. And we just said, okay, let's -- once again, let's try and put this thing back together. And we did that, and we -- we carried on again.

Q The -- well, first of all, how do you know he couldn't find another company?

A Conversations -- I would say that's conversations that I've had with counsel.

Q Has anybody -- well, strike that.

Has Greg LeMond or anybody on behalf of Greg LeMond told you that he couldn't find another company?

A No.

MR. WEBER: And by "you," you mean Mr. Burke personally as opposed to Trek?

MR. MADEL: I don't think this is a

A That's true.
Q And you wouldn't ever turn a blind eye to that, would you?
A No, I wouldn't.
Q I mean, if you had facts in front of you that convinced you that this person was actually a doper, you're going to drop them from the Trek family, right?
A If somebody provided me with evidence -- in this country, you're innocent until proven guilty, right? So if somebody was convicted of doping, then they would be dropped from the Trek family.
Q I've got a trial on May 5, and I hope that you're on it. That was a joke. It's just a joke.
A It's like, I'm like where am I going to be on May 5?
MR. WEBER: He's a criminal defense lawyer.
THE WITNESS: Okay.
MR. MADEL: I couldn't -- I couldn't agree with you more.
BY MR. MADEL:
Q With respect to the evidence against Mr. Armstrong with respect to doping --
A Yep.

Q -- do you have -- do you know of any evidence that he has used performance-enhancing drugs at any time during his cycling career?
A I do not.
Q Have you read any?
A No. You know, I really don't -- I'm sure from time to time I've read an article where there have been allegations or I've had conversations with Mr. LeMond where he's made plenty of allegations. But, you know, I -- this guy is the most tested athlete in the history of sports.
Q Uhm-uhm.
A I'm aware that the doping allegations were litigated in the SCA lawsuit, and Mr. Armstrong won that lawsuit.
Q Was it -- was there a factual finding that he didn't dope in that lawsuit?
A I'm not a lawyer.
Q Has there been a problem with doping in the Tour de France in the last few years?
A Yes.
Q Numerous teams have had problems with doping, including the winner of last year's tour, right?
A I couldn't specifically tell you that.
Q Do you know of any players -- players -- do you

to investigate when there are allegations of somebody doing just that?

A We're not investigators. There's -- there's a UCI. They have a -- I'm sure they have rules and they have doping protocol. And it's obviously worked. I mean, they've found -- as you mentioned earlier, they found a number of people here in the last few years.

Q Well, have there been tests where Lance Armstrong proved positive for use -- taking EPO in 1999?

A I do not know.

Q Okay. The -- when you said that Trek won't do business with somebody that dopes, at what point do you believe it has been established that somebody has doped?

A Well, I really don't -- I would say once the governing body came to that conclusion.

Q All right. So if we take Mr. Landis, for example, you would have done business with Mr. Landis up to the time that the arbitration panel came out and said he's -- he's guilty?

A Isn't that a --

MR. WEBER: Just let me object to the form of the question as hypothetical.

THE WITNESS: Right, hypothetical.

"how many." I mean, how many could be 20 to -- if you really wanted to count custom builders, et cetera, it could go as high as 40, to the best of my knowledge.
Q What was Trek's fastest-growing road bike brand in the period of 2000 to 2007?
A I don't have those figures in front of me, but I would assume that it was the Trek brand.
Q Why would you assume that?
A Because the -- we've had a lot of growth with Trek. As I mentioned earlier, the road bike business, after Lance Armstrong won his first tour, the road bike business, not just for Trek but for everyone in the industry, went up, and it just continued to go up and up and up.
And I know that we have a large share of that business, and so as the business continued to grow, so did our sales.
Q With respect to Mr. LeMond's bicycle sales which you mentioned at the very beginning of the deposition, when did you first learn about the extent of his bicycle purchases from Trek?
A Way too late.
Q When did you -- when was that?
A I would say -- I don't have the exact date on

1995 to 1999 entirely to Trek's efforts?
A No. It was a team effort between Trek and Greg. Greg brought a great name, famous cyclist, won the tour three times.
We took that name and that image and we put it together with good product designers. And most important, we put it together with a great group of -- with a great distribution channel.
Trek's sales team is known as the most competent in the bicycle industry, and the Trek retail network is second to none. You put those things together and you've got a good combination.
Q And from 2000 through 2008, do you attribute the level of those sales to be entirely due to Trek's efforts?
A "Entirely" is a very strong word. I would say no, not entirely.
But after 2001, when Greg called Lance either the greatest hero or the greatest fraud and again in 2004 and again in 2006, we were fighting an uphill battle to sell Greg's bikes.
Q Yet the sales continued to increase?

A I think the sales continued to increase. The market share continued to decrease.
Q Was there a reason you chose not to put those market share statistics in your presentation?
A You know, the -- you know, the problem with the market share statistics is, as I said before, the bicycle industry doesn't have great numbers. It's not like the auto industry where you can see how many Toyota Priuses were sold in Dane County last month. It just doesn't have that kind of information, so I did not put it in here.
Q So then when you said that the market share statistics with respect to the LeMond bikes decreased through the period 2000 through 2008, what were you basing that testimony on?
A I'd say I base it on being in the bike business for 24 years and having a pretty good handle on our business. There are -- there's industry numbers that come out. They're not really good, but generally you can kind of see what's going on.
Q Okay. What are those industry numbers that you're relying upon?
A It's called BPSA, which is bicycle products, and we can kind of get -- get a handle on what's

PTI. And he never said anything about that, and he said if we're ever looking to do anything in the mass, I'll let you know. And all that time, he already knew.

And that's just another example of business dealings with Greg, where he does some really good things, but stuff like that, it -- it certainly undercuts the confidence in the relationship.

Q That damage that you have as -- I think the phrase that you used is a gut feel to you.

A The damage is a gut feel because that's very hard to quantify. Because what's happening is retailers who have strongly supported the LeMond brand -- all right. There's a Trek retailer and three blocks away there's a Target. Well, all the sudden now Target's selling $9.99 LeMond helmets. And that retailer is going, What's going on? I got to compete with somebody else now selling the same name; I don't like that. So all the sudden he starts buying less LeMond bikes. It's hard to quantify that.

Q And I'm somewhat sure that you're exaggerating with the $9.99 LeMond helmet. It was probably more than that.

A You're --
Q But I think what you're trying to point out is that they were selling it for a cheaper value than what would exist in an independent bike dealer shop.
A Uhm-uhm. Yes.
Q I'm going to direct your attention back to your presentation where you have some e-mails here. And it says "Fallout" at the top.
What did you mean by "fallout" there?
A Fallout would be what the consequences of Greg's actions were to Trek.
MR. WEBER: Go to the prior page.
MR. MADEL: Yeah.
BY MR. MADEL:
Q The -- so -- and then on that first fallout page, you put in two e-mails from -- a Trek customer e-mail and a LeMond customer e-mail, right?
A We're on fallout, which says -- starts out "Thanks to Greg's comments"?
Q Yes.
A Yes.
Q And then you put in two additional customer e-mails on the next page that says "Fallout" at

Do you see that? First sentence of the second paragraph.
A I do.
Q That last sentence of that paragraph, "No matter whether you believe Mr. Armstrong doped or not, why not position the Trek and LeMond brand on a higher ground."
Do you see that?
A I do.
Q "There's no doubting Mr. LeMond's commitment to clean cycling, and based on his very public anti-doping stance, why doesn't Trek support that?"
Do you see that?
A I do.
Q How would you answer that question?
A I would answer that question that Trek did support, on numerous occasions, Greg's anti-doping stance. On many different occasions I told Greg, I don't have an issue of Greg's stance against anti-doping. In fact, I encourage it; Trek encouraged it.
It was his comments regarding Greg -- regarding Lance Armstrong and specific athletes that Trek objected to.

are going to come up and say, you know, John
Burke, I thought that that was the most shameful,
stupid presentation I've ever seen in my life?
A No, I don't think they are because I think they
looked at that presentation -- and those dealers
had been living this program. They've had
customers over the last eight years coming into
the stores saying I wouldn't even look at a
LeMond.
And there they had these small
business people who have invested in the
inventory, it's sitting there, and all the sudden
they're taking a look and there's ESPN, Greg
LeMond, "Lance Armstrong threatened my wife, my
life, and my livelihood." And there's a bicycle
dealer and he's going, "Not again. We went
through in this in 2001. Now we're going through
this in 2004. It just keeps going on and on."
Q And these independent bike dealers, they do
business with you, right?
A They do.
Q And they send you money for bikes, you provide
them with bikes, right?
A They do.
Q So they have a business relationship with you,

Q Yeah. Yeah. I --
A The food's much better here.
Q I don't travel much --
A All right.
Q -- so -- so, you know, it's probably my problem.
But the -- granted, if you take -- does it surprise you that the person that's the general manager of Trek's European division, minus the UK, is criticizing LeMond due to his low sales of LeMond bikes in places such as France, Holland, and Spain?
A No, because that person has gone -- it's been a tough sell, not an easy sell. It's a tough sell. And that person has gone out of his way. And that e-mail came in after another one of Greg's comments going after Lance Armstrong. And there Malcolm is introducing a new line, getting all the show samples out, putting together the catalogs, doing all this stuff, and then he opens up the newspaper and here we go again.
Every time we did this, Greg would make -- Greg would make a commitment. He'd say, you know what? I'm not going to talk about Lance Armstrong anymore. And I'd say, great, talk about doping all you want, Greg, and a clean

sport; that's awesome.

And he'd say, I'm not going to talk about Lance Armstrong again.

And then it would come around Tour de France time, and then there it is. I remember going to the Tour de France 2000 -- I think it was 2004. I'm in the Minneapolis airport, right? We're taking 100 of our best customers to France to watch the tour.

There it is, ESPN, breaking news, Lance Armstrong -- or Greg LeMond says Lance Armstrong threatened his wife, his life, and his livelihood. That's all we talked about for a week with your 100 top dealers. We talked about a few other things, too.

But it's -- it just kept going on and on. And people are frustrated. You know, I sat there in 2006, right? Once again, after the 2004 thing, we came back and we repaired the whole thing, right? I put my hand out to Greg, we worked it through, okay. We're back on line. We poured a lot of money into new product development. We came out with the most killer carbon fiber bike. Beautiful, okay?

And what we said is, you know

what? We're really going to get this thing rolling again. And so we invited all these customers. We flew them into Milwaukee. And I'll never forget this. We were out at the resort on Lake -- I think it's Lake Nagawicka. And there we are out there and we got Greg out there.

And he and I are up on a stage and we're outdoors and we've got like 200 of our -- or 100 of our best customers. I mean, our top 3 percent of our dealers make up 30 percent of our sales, and these are important guys. We brought them all in for the Trek 100 to introduce the new LeMonds so they could ride the new stuff.

And they're all fired up about this. Everything is rolling. Everything's great. And then all the sudden, two weeks later, there it is right back in the papers, we've got Greg LeMond going after Lance Armstrong. All that energy, all the money, all that stuff that we put in to really have a killer line and selling Greg's stuff.

And so a guy like Malcolm, he's representative of a lot of people at Trek who wanted this thing to succeed, who put in a lot of time and effort. And it was just kind of like, man, here we go again. And that's what that e-mail is. He sent me that e-mail. And it was just --

Q But you recognize, though, too, when we're looking at, you know, just so far here on Exhibits 138 through 143, there's -- there's a pretty big segment of cyclist enthusiasts out there that really like anti-doping stances and really like what Greg was saying about Armstrong, right?

A Wrong. You got to separate those two. There's a lot of people out there who like anti-doping stances, all right?

Q Yep.

A And I'm one of them. People want a clean sport. All right? When you then say that there's a lot of people against Lance Armstrong, those are -- those are different topics.

Q Well, but -- and I understand that you -- you say that you're against doping, but, you know, have you, you know, really done much on behalf of the entity for Trek to demonstrate your anti-doping stance?

A Well, I mean, we've done -- you know, if you take

a look, it's the rules of the game. The rule of the game is you can't dope. We don't -- we don't take care of the rules of the game. That's the UCI. That's their responsibility.
Q I understand.
A Okay. Greg -- you know, different people take on different causes.
Q Uhm-uhm.
A And Greg's -- one of Greg's causes is anti-doping. One of his causes is -- is this absolute consumption of Lance Armstrong. Every time we talked about doping with Greg, it was, Greg, talk about anti-doping as much as you want, promote it, go out there and do, that's great.
Q Did -- did you ever talk to Greg about what Lance Armstrong had said to him in terms of threatening him by getting ten people together that said that Greg used EPO?
A No.
Q All right. Did you -- you obviously knew that Greg LeMond considered Lance Armstrong to have cheated when he won the Tour de France?
A Yes.
Q He told you that on numerous occasions?
A Yes.

Q Did you ever ask Greg LeMond to sign a statement saying that he believed that Lance Armstrong had never taken any performance-enhancing drugs?

A I do not -- I think you might be referring to the 2001 retraction, and I'd have to take a look at it.

MR. WEBER: Before we -- before we get into that, we've been going another hour, so let's take a break.

MR. MADEL: Oh, that's one of those examples. Yes.

VIDEO TECHNICIAN: This is the end of Videotape No. 3. We're going off the record at 2:04 p.m.

(A recess was taken.)

VIDEO TECHNICIAN: This is the beginning of Videotape No. 4 in the continuing deposition of John Burke. We are back on the record at 2:20 p.m.

(Exhibit 145 was marked for identification.)

BY MR. MADEL:

Q Mr. Burke, what's Exhibit 145?

A Exhibit 145 is an e-mail to TrekBikes.com from Steve Hansen.

statements the communications that you'd received from Armstrong and Stapleton?

A No. I think it was a combination of a lot of things. It was a combination of my own disappointment. It was a combination of a lot of Trek retailers calling Trek, and it was Armstrong and Stapleton calling.

Q Do you recall you telling Mr. LeMond when you called him on this that the reason that you were calling him was because of pressure you were receiving from Armstrong and Stapleton?

A You know, I'm sure that was one of -- one of the reasons. I was in a very difficult situation. I was in between a three-time winner of the tour and a most famous cyclist in the world at that time. And I was put in the middle to be the peacemaker, and that was a tough position to be in.

Q I think you described yourself at the time that you were trying to be Henry Kissinger there.

A You know, I tried as hard as I could to be Henry Kissinger, and it was not -- and I think, as I remarked on that phone call, which Greg LeMond taped -- later told me that the reason it was taped was because his answering machine was